

1 THOMAS J. NOLAN (SBN 66992)  
thomas.nolan@skadden.com  
2 PETER B. MORRISON (SBN 230148)  
peter.morrison@skadden.com  
3 VIRGINIA F. MILSTEAD (SBN 234578)  
virginia.milstead@skadden.com  
4 CARL ALAN ROTH (SBN 151517)  
carl.roth@skadden.com  
5 SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
300 South Grand Avenue  
6 Los Angeles, California 90071-3144  
Telephone: (213) 687-5000  
7 Facsimile: (213) 687-5600

8 *Attorney for Defendant*  
9 *Questcor Pharmaceuticals, Inc.*

10 PETER A. WALD (Bar No. 85705)  
peter.wald@lw.com  
11 MICHELE D. JOHNSON (Bar No. 198298)  
michele.johnson@lw.com  
12 ANDREW R. GRAY (Bar No. 254594)  
andrew.gray@lw.com  
13 LATHAM & WATKINS LLP  
650 Town Center Drive, 20th Floor  
14 Costa Mesa, California 92626  
Telephone: (714) 540-1235  
15 Facsimile: (714) 755-8290

16 *Attorney for Defendants Don M. Bailey,*  
*Michael H. Mulroy, Stephen L. Cartt, and*  
17 *David Young*

18 UNITED STATES DISTRICT COURT  
19 CENTRAL DISTRICT OF CALIFORNIA

20  
21 IN RE QUESTCOR  
22 PHARMACEUTICALS, INC.  
SECURITIES LITIGATION

CASE NO.: 8:12-CV-01623 DMG (JPRx)

(1) DEFENDANTS' RESPONSE AND  
STATEMENT OF NON-OPPOSITION  
TO PLAINTIFFS' MOTION FOR  
CLASS CERTIFICATION; and

(2) DECLARATION OF WINSTON P.  
HSIAO (under separate cover).

Date: January 9, 2015  
Time: 9:30 a.m.  
Judge: Hon. Dolly M. Gee  
28 Ctrm.: 7

1 Pursuant to Local Rule 7-9, Defendants Questcor Pharmaceuticals, Inc.  
 2 (“Questcor” or the “Company”), Don M. Bailey, Michael H. Mulroy, Stephen L. Cartt  
 3 and David Young (the “Individual Defendants,” and with Questcor, the “Defendants”)  
 4 submit this Response and Statement of Non-Opposition to Plaintiffs’ Motion for  
 5 Class Certification.

6 Plaintiffs’ Motion opens with a “Factual Statement” that merely parrots and  
 7 paraphrases the allegations in the Complaint, which Plaintiffs filed twenty (20)  
 8 months ago. The record in this case does not support those allegations, and  
 9 Defendants look forward to demonstrating the baselessness of Plaintiffs’ case at  
 10 summary judgment.

11 Further, and notwithstanding the Non-Opposition, Defendants reserve all of  
 12 their rights with respect to defenses against Plaintiffs’ claims, including the right to  
 13 return to the Court to, among other things, seek de-certification of the class pursuant  
 14 to Federal Rule of Civil Procedure 23(c)(1)(C). On October 23, 2014, Questcor  
 15 deposed Dr. Steven P. Feinstein, who filed a report on behalf of Plaintiffs’ class  
 16 certification motion. During the deposition, Dr. Feinstein indicated he would  
 17 produce additional materials following his deposition that may bear on class  
 18 certification issues.<sup>1</sup> Dr. Feinstein has yet to produce those materials, and Plaintiffs

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19  
 20 <sup>1</sup> See Declaration of Winston P. Hsiao (“Hsiao Decl.”) Ex. 1 (Deposition Transcript  
 of Dr. Steven P. Feinstein) at 50:8-15:

21 Q. Have you read NERA-authored expert reports on this topic?

22 A. Yes.

23 Q. Do you have them in your files?

24 A. As I sit here today, I think likely, probably. I’m not sure.

25 Q. I’d like you to produce them, please.

26 A. Okay.

27 See also id. at 63:18-64:1:

28 Q. When you say it’s widely used, what’s your basis for that other than  
 that [sic] NERA reports that you referenced earlier today?

A. That’s what I’m referring to.

Q. And you’re going to produce the NERA reports that you have in that  
 connection from your files, correct?

1 have indicated that such materials may not be forthcoming. Therefore, Defendants  
2 may need to pursue those materials.

3 In addition, documents produced by Plaintiffs during discovery indicate that  
4 Plaintiffs utilize at least two investment advisors, LSV Asset Management (“LSV”)  
5 and AJO, LP (“AJO”). Defendants believe that LSV and AJO may possess  
6 information that bears on issues related to both class certification and the underlying  
7 merits of Plaintiffs’ claims. However, due to limited availability, Defendants were  
8 not able to depose a 30(b)(6) designee from LSV until October 30, four days prior  
9 the deadline for opposing class certification. Meanwhile, AJO has to this day  
10 refused to offer a date on which Defendants may depose its 30(b)(6) designee, even  
11 though Questcor noticed the AJO deposition on September 30. Defendants remain  
12 optimistic that AJO will comply with the deposition subpoena without need for court  
13 intervention, but Defendants may need to pursue this deposition through the courts as  
14 well.

15 For the foregoing reasons, Questcor files this Non-Opposition at this time, but  
16 expressly reserves all rights and remedies available to it.

17 Dated: November 3, 2014  
18

19  
20 SKADDEN, ARPS, SLATE, MEAGHER &  
21 FLOM LLP

22 By: /s/Peter B. Morrison

23 Peter B. Morrison  
24 Attorney for Defendant  
25 Questcor Pharmaceuticals, Inc.

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*(cont’d from previous page)*

27 A. The reports and their, their monographs, their monographs on the  
28 subject.

LATHAM & WATKINS LLP

By: /s/Peter A. Wald  
Peter A. Wald  
Attorney for Defendants  
Don M. Bailey, Michael H. Mulroy, Stephen L.  
Cartt, and David Young